STATE OF IOWA
COUNTY OF SCOTT

IN THE MATTER OF UPPER)

MISSISSIPPI RIVER - ILLINOIS)

WATERWAY SYSTEM NAVIGATION)

STUDY PUBLIC WORKSHOP)

BEFORE:

U.S. ARMY CORPS OF ENGINEERS

Thursday, July 29th, 1999
8:30 p.m.
Scott Community College, Student Life Center
Bettendorf, Iowa

TRANSCRIPT OF PROCEEDINGS

PRESENT:

CORPS OF ENGINEERS ATTENDEES
MEMBERS OF THE PUBLIC
MEMBERS OF THE MEDIA

MR. BILL WIEDMAN: Based on the first three meetings, we'll probably run about 30 minutes or so, on questions and answers. We've pulled a sample of questions out of each of the groups. Then I'll open it up to questions for the group. We'll see how it goes, 30 or 40 minutes, then we'll move into part 4, which is, those of you who want to make a statement, I'll check to see how many do, at that time, to get an idea of how much time each of you can have.

We're here for the evening. I don't know what time -- the last place we were, they flicked the lights at 10:30 on us. So we're here, and, also, after the meeting take advantage of the Corps staff.

I'll ask them to do six or eight questions, then I'll open it up to the floor. And, again, I encourage you, these questions are requests for information or something that's not clear to you. It's not the time to get into those statements that have a rhetorical question at the end, when you don't want an answer, just your opinion. That comes in part four. So we'll do our best.

Now, because we have a court reporter, we've got an amplification problem, disadvantage. So we're going to ask you to come up to the mike, if you have a question,

because Matt needs to hear to do his thing, the same way witht he formal statements.

I will call your attention to the yellow sheet, again. Those of you who don't feel that you had an opportunity at the end, use that yellow sheet, that's in your packet, to add any additional comments. Also, you may have a question that never got answered. You can write that on a card and leave it at the table, or write the question on the yellow thing.

If you happen to have one of the newsletters, you will notice there's a comment thing you can rip out and use it. The Corps is collecting all this. One of my responsibilities is to collect all this information and summarize it, whether it's the tear sheet, the cards, everything that comes in, and furnish the Corps with the best content summary that we can do. So whatever you have, whether it's a prepared statement or what, please be sure and get them in to the Corps. I'll turn it back over to Gary Loss, again, the project manager.

We've got a number of questions. I'm trying to pick out some that are representative, that I think cover a lot of different areas. I recognize there will be a chance for any of you to ask questions, again, when we

finish this part of it. I'm going to call on study team members to answer the questions and hopefully solve some of the mystery here. Rich Manguno, economics committee, we each have got about two or maybe three questions that we are going to address.

The question is, what is the basis of the grain production forecast? We hired an independent consultant to do the traffic forecasts for us, specifically for grain. Sparks Company was the contractor that did the forecast, which has embedded in it, the projections of what the acreage and the production values would be. Sparks is a leading company in the area of grain and forecasting for that sector.

The question is, what is the cost of no action? It's not just zero. The cost of no action really should be viewed as the flip side of the benefits that had been identified for the various alternatives. If improvements are not made to the system, there are certain transportation efficiencies that would not be achieved.

The benefits of the various alternatives that you saw described earlier tonight are that portion of those inefficiencies that are regained by making the various

improvements that are associated with each of the measures.

Thanks, Rich. Monty Hines, of operations, has got a question on operations issues.

Thank you, Gary. The question is, who do you call or write to report accidents, missing markers, red markers, as a red marker has been missing at mile 504 since May 28th. Well, that responsibility is the Coast Guard, of course. They have a navigation section in St. Louis, but you could report it, they have a local office in Davenport, or you could actually report it to one of our locks and dams, and they can pass the information along. So a pretty easy question.

Thanks, Monty. Engineering, Bobby Hughey.

A couple of questions. One, can the guide walls be used sometime in the future to make the locks 1200 feet long? The answer is yes. It would probably require some modifications to the proposed guide wall extensions, but they could be designed to become part of a lock extension sometime in the future.

The second question is what is the lock construction sequence, and will the river be shutdown? The sequence on the lock extension is to -- the lock

extension in all cases would be constructed downstream. The first phase of that would be to build a 600 foot extension to the existing guide wall.

The second part of that, or almost concurrent with that would be the strengthening of the existing guide wall that would become part of the lock chamber. Both of those would be done with minimal impact to navigation, because the work could be done from behind the channel.

The third phase, which is a rather complex phase, but involves the new technology construction technique approach, and that's to place the gate, gate monolith. What we're proposing to do there is build those off site, or one for each lock would be built off site, floated in and sunk. That would require shutdown to navigation for a period of time.

The last thing would be to certainly complete that monolith and also complete what we would call the river wall, which would be extending the other wall of the existing lock down to that gate monolith.

Will the river be shutdown? Yes, it will, for certain periods of time. On the upper Miss, due to the navigation system being primarily nine months, we are looking at trying to construct a lock extension or guide

wall extensions within three '90 day winter closures. That's our objective.

There would be some shutdown period, short periods, during the remainder of the year when certain concrete placements are made and so forth. Those might be in terms of a few days, or perhaps even in terms of one eight-hour shift a day for four or five days, and then re-open the lock to full 24-hour traffic.

Those are things that we're trying to work out right now, because impact to navigation is a part of the cost of construction. That is not a number that's ignored. So we have to be very careful. And with the new technologies that float in, modular construction and so forth, we've been pretty successful in reducing those impacts to navigation to a minimum. Thank you.

Thank you. Ken Barr, for some environmental questions.

Yeah, I have three questions here, at least, that we'll try to address. Who did the environmental impact studies, and how long did those studies take?

Basically we've been working on the study since about April of 1993. So we're about six years into a seven year study. We've had numerous people working on

the studies. We have staff biologists, ecologists, hydrologists, from all three districts, Rock Island District, St. Paul District and St. Louis District.

We've used probably 12 to 15 people from the waterways experiment station. It's a research facility station near Pittsburg, Mississippi. In addition to that, we've used numerous private contractors.

Perhaps one of the most important to us is Dr. Steve Bartel, from Oak Ridge, Tennessee, he's our ecological risk assessor, as well as state organizations like the Illinois State Water Survey, as well as the Iowa Institute for Hydraulic Research, Dr. Nacato, as well as at the University of Wisconsin, Madison, Dr. James Knox.

So we've had a good diversity of both private contractors, university types, as well as Corps staff researchers working on this. How long does it take? Again, we're about six years into a seven year study.

The second question is, why are we having a meeting with public comment, when all the environmental studies are not yet complete? The alternative evaluation phase is a really important part of this.

And frankly, I wish that we were about two months further along in taking these traffic projections and the

economics that we've heard about today and actually having a little bit more detail on what that means to the numbers of larval fish that may be impacted. We may see some reduction in plant growth, in which muscle beds in backwaters are at greatest risk.

However, it's very important, before we complete this alternative evaluation, that we do hear again from the public. So I think it's an important opportunity, with the economics now in front of us, with some idea that it means going from eight boats a day to 12 boats a day, in Pool 13, and some concept of what it means to fish, plants and mussels, to hear from you all. And I don't think we could have waited any longer to hear from the public. It's been quite awhile since we've been out and about.

The last question has to do -- and we hear this question in one form or another, concerns about increased sedimentation and the environmental impacts. I think the greatest concern that we've heard, going all the way back to 1992, is backwaters and side channels are filling in.

We're really concerned that when we took a free-flowing river, put up a series of 33 dams and created a series of lakes, that we've caused this opportunity for

sediment traps.

The first thing that we did, in terms of that, was look at the direct effect. If we do have an increase from eight boats a day to 12 boats a day, in a certain part of the system, what are those initial four boats going to do, in terms of churning up sediment from the main channel? If it is churned up, where is it going to go?

Is it going to go into the mouth of a backwater and help fill that backwater, or is it more likely going to be a course-grain sand that's going to go out, hang for four or five minutes, and then come back down in the main channel?

A lot of the physical models that Gary showed pictures of were very much targeted at which of the backwaters are most at risk from increased traffic? But the other issue out there, from a backwater perspective, is even without increased traffic, we know that there's a lot of sediment coming off of upland. We know the backwaters have been filling in.

So what we did there, is we put together a team of morphologists, hydrologists and ecologists. We took a series of arial photos, some from the 1940s, just after

lock and dam construction, a series of arial photos from the 1970s, and then a series from the 1990s, and basically mapped out and quantified which types of backwaters we were losing, where those backwaters were. And we also emptied the archives, in terms of any survey data, how deep was the water in the 1930s, in the 1940s, right after construction? Well, how deep was it the last time we did a survey? How fast are we losing these areas? And we put together a cumulative impact report, which is an important backdrop to this study, but also, I think, will be an important piece for other people looking for what needs to be fixed on the upper Mississippi River system. Thank you.

Thank you. One question has come up at all the meetings. It has to do with the Chicago Board of Trade and their policy on the Illinois waterway. Paul, could you address that tonight?

The question was, the Chicago Board of Trade has changed delivery points for corn and soybeans, to include Illinois River elevators. Have you included impacts on the grain delivery model? If not, will it alter farmers' ability to deliver?

We've had some extensive discussions with Chicago

Board of Trade as they were evaluating this proposal. For those of you who aren't familiar, starting next year they will have delivery points for futures contracts on Illinois River elevators, rather than at Chicago and Toledo.

They base their analysis and their decision on the existing conditions for the Illinois waterway, knowing what's there now. So in that sense, it was included in our models, because our models are based on existing conditions.

Since most future contracts, they tell us, are not actually delivered, we don't see a big impact on that, but any impact will be positive, based on any improvements, and probably very little change if we did not make improvements.

Thank you. Some more general questions relating to project management?

Why, during your opening remarks, did you present locks 20 through 25, and then present environmental impact slides concerning Pool 13? The 20 through 25 locks relate to where we're proposing construction, and that's why we talked about that.

As I said in the speech, the impacts of what

happens with 20 through 25, larger locks, more traffic goes all the way up the river. We try to pick out some representative pools to look at that show what the traffic's going to be, what the impact's going to be.

Pool 13 happens to be one of the pools that we got more information on than a lot of the other ones, and that's one of the reasons we showed the slide on that. We got a lot of monitoring information on that, working for other agencies. I'm not trying to confuse you, but that's why we did that.

How will these projects be funded; is it fuel tax user fees, et cetera? The measures that we're talking about here tonight, if Congress should authorize them for construction, would be 50/50 cost shared with the trust fund, which is a fund that the shippers, when they buy fuel for the shipping, goes into that trust fund. And the policy of the federal government right now is that 50 percent of the new construction is funded through this trust fund, and the other half would come from general revenues, from the taxes.

That's the present policy. We assume it would be the same with whatever projects we might propose from this study.

The last one was, what can you do to maintain good recreation in Pool 15? I think this is a big part of why we're doing this study. We're trying to look at what the delays are, what the traffic is, at all the pools, whether it's recreation or the environment, making sure that we know what's involved there, what's happening.

As far as a lot more tows going through 15, I think you saw some of the alternatives there, as many as five more tows per day. Is that going to mean tows backed up? Probably not. It depends again which alternative we go with, what the traffic actually does. That's why we're trying to analyze it. And if there are impacts, we're going to try to mitigate those things.

One last question. Why can't they use auxiliary locks? I guess I would pick that one out because most of us in the Quad Cities, we probably think all of the sites have got a main lock and an auxiliary lock. Reality is, only 15 does.

14 has the original six foot channel lock, which is used sometimes on weekends, but all the rest of the lock sites only have the one 600 foot lock. They do have the auxiliary gate sitting there, but there's not a lock structure there.

So at 15 we have both the 600 and the 360 foot lock, but that's unique. All the rest of the sites do not. Bill, I think that's probably enough questions. We'll take some from the audience.

Now I'd like to move on. For those of you who have specific questions, again, take advantage of the microphones. If you see one's occupied, you may want to come up and be ready for the other. What Gary will do is try to direct it to the right resource.

So I open it up for questions that you may have that aren't answered yet. Again, remember, these are requests for information or technical data, rather than a statement of your opinion.

VOICE: I just want to know, what happened to the rest of the questions that were written? There must have been more. There was more in our group than you had in your hand.

CORPS: Right. Let me tell you. From a process standpoint, what we did is we tried to get some representative questions. The rest of the questions are going into the report itself and the analysis. The cards that you have dropped, all the questions, these tear sheets, somebody has already started to work on them.

So we're capturing them all. It's just that we didn't want to read too many of them up here and then deprive you all of an opportunity to ask them. They'll be used.

VOICE: Okay. I would like to ask my question that I submitted then, because it isn't really a kind of question that's going to do any good when it comes in the report. My question was, I kind of wanted to get a general idea of who was here at this meeting, who the people were, you know, like what kind of groups that they represented.

And I broke that down into some categories, farmers, barge operators, people that dealt in grain or rock or salt, and environmentalists, and general public. I'm curious as to who the people were, so that when we look at what we're sending in, we look at where it's coming from.

So I was wondering if I can ask that question? You know, like how many people are farmers that are here?

CORPS: Well, let me answer your questions directly. I can't, as a facilitator --

VOICE: Can we get a raise of hands? Can we get some idea of who is here? I mean --

CORPS: Well, what I can tell you is, the range of all

that you have added are here, that have been in the meetings, recreational users, farmers to towboat operators, to the whole range of those that are impacted, benefitted and cost are here. So I'm not sure what good it would do to ask the question of who is here.

VOICE: Okay. I'd like to change my question then. No one answered that one. I would like to know if there's one person who represents the Corps here, any one person who represents the Corps at all who is opposed to the expansion of the locks?

CORPS: Well, as far as a request for information, I don't think that's germane to what we're here to do. They're here to provide expertise on your questions. So do you have other requests for information directly, or technical, or some of the answers about the alternatives or questions that you haven't received yet?

VOICE: In response to his comment, I'd just like to say that if all the people that I met along the way, from St. Louis up to Guttenberg, Iowa, were here tonight, we wouldn't be in Scott Community College. We'd be in the Mark of the Quad Cities, and those people care as much about the river as I do.

And another thing, if all the people in the

country care about -- I'm sorry. I'm kind of shaken up here, in front of everybody.

But what I'm trying to say is that there's a lot more people that aren't in this room that don't really know what this meeting is all about, all the people that drive boats and all that, and I'd just like to say that I think the main focus, to me, really should be on siltation, because that's the main focus. That's the main problem of the river, and that -- I don't know --

CORPS: Well, it sounds like it's more of a statement, than it is a request for information.

VOICE: Is there a better time for that?

CORPS: It's already in the record. So when we get to part four, you won't have to come back up here and make your statement.

Again, I'm trying to provide the opportunity right now -- we'll move into the second, if nobody has direct questions that are requests from the resource managers here, or questions about what you saw on the screen.

VOICE: I have a question. I have a couple of questions. I would like to know why river habitat has been deliberately separated from the land habitat in this

study. I have been at all the meetings, since the very beginning of this, and every time I've tried to bring the business of the watershed and land use issues and the habitat that exist on the land into this study, it has been squandered, squashed, pushed aside, ignored.

I want the answer to that. It's a specious point of view. Why are we worried about swans and ducks and frogs and not microbes and worms in the soil, when it's corn and soybeans being hauled up and down the river and grown on the land?

CORPS: Okay. Ken? Very early on, that was a difficult question. We were mostly at that point trying to think where in the flood plain we'd draw the line, in terms of the various alternatives. Again, the no action plan being pretty much maintain the river like it is today. You don't change the way they operate it. You have basically the same water level regime that we see out there today.

And so we started to think, well, the major impact is either going to be at the lock and damn sites themselves where we may say we need a new approach improvement, is going to go through a bottomland forrest. That's why you saw some of those numbers up there like two

million to five million dollars to try to replace the bottomland forrest that would be effected by that type of approach improvement

But the vast majority of the impact between the locks and dams are going to be those associated with increased traffic, and those effects stop pretty close to the water's edge.

So we do have a study that deals with induced bank erosion. In that instance, then, we are concerned with critters in the bottomland, or archeological sites that may erode into the river, a prairie that may be adjacent to the river.

We have tried to capture those areas and lighten them up, where you will have increased erosion that will effect terrestrial resources. And we're dealing with those, in terms of avoid, minimize or mitigate.

But the vast majority of the impacts that would occur, as a result of our improvements, are in the water. So that's why we're most focused at those.

VOICE: So you are basically ignoring all the organisms on the land? Can I just say that bluntly? Is that true?

CORPS: Well, no. Like I said, I drew the line --

VOICE: It's not included in the study?

CORPS: I drew the line between those areas on land where our proposal will affect them. And where we're going to put a new approach improvement that goes through a bottomland forest and animals on the land, we're definitely concerned about. Where we may induce erosion that will effect animals or resources on the land, we're definitely concerned with those.

VOICE: But you are doing nothing with farmland, nothing?

CORPS: Right.

VOICE: That's all I wanted to hear.

CORPS: That's not within the scope of the actual study.

VOICE: One of the things that I hear the shippers say is, one of their big costs is when they come to the locks and they have to wait. Yet when I'm on the river, I see barges that are hammer down from lock to lock.

It seems to me like, has there been any thought given for any kind of orderly movement of barges between locks, so that these guys don't have to go hammer down, burning fuel very rapidly, as much as they can, so their waits are shortened at locks and still they could conserve

fuel in the trips between the locks?

CORPS: Mr. Loss. We've had some change in team members here. This is one of the first things we looked at when we started the study. So we're trying to assess here who can best answer this, because it's something that we addressed about four years ago when we started the study. That's why we're doing a little shuffle up here.

Monty's going to take a stab and answer it.

Early on in this study this was discussed with the navigation industry, and some ideas came up on this, as far as it would actually be like an air traffic control situation and someone would have to be in charge of it. And really, we provide a lot of information to the navigation industry, via the internet, and they have real good communications.

And generally speaking, I don't think they're interested in going hammer down. There may be some companies that do that, but they know what they're doing at the next lock, what the wait is. And they have their concern about costs and, you know, fuel efficiency. And they have a program where they don't do that. They save money by not doing that.

So it's been looked at and talked about. I don't

think it was one of the -- there wasn't a decision to go forward with that kind of implementation.

That's just a general comment, one I've heard from some of the operations folks at some of the other meetings, is that we have a whole lot of coordination going on with the industry, the best practices that can be used. And we're trying hard to make the maximum use of the river, working with the industry, fuel efficiency and all those things that go with that.

You know, it's probably not part of the navigation study. It's just part of being good stewards of the river and how best to operate that system.

VOICE: Site specific habitat replacement costs seem extremely low, when you compare these costs with the environmental management program. I guess I would ask, how were these costs obtained?

Many of these costs don't even cover the engineering of some of our A and P projects. I'd like to know if the habitat replacement cost were .....?

CORPS: Yes, as a matter of fact, they were. What we did in computing those costs was we looked at a number of different projects or programs that the Corps might have open, such as the MP. Also, we called a section 1135

environmental restoration projects.

We also looked through the literature and found other types of restoration projects that focus in on those specific habitat types, bottomland, side channels, et cetera. We used representative costs from those, and then we looked at our particular impact assessment that we did at the sites and computed the cost based essentially on what we saw as potentially the number of acres that would be lost and then use those costs with replacement costs.

VOICE: Yeah, I'd like to change direction just a little bit, but one of our concerns is the alternatives are -- I guess a simile would be to put a new transmission in a 30 year old car, by adding new construction onto 60 year old structures.

Does the Corps have the costs studies done yet, if we went with brand new structures and put a little bit of foresight in there to last the next 60, 70, 80, 100 years, instead of just the 50 year project here?

CORPS: In answer to your question, yes, we have. What we've done is we have looked at the existing structures and looked at them from the standpoint of what major rehabilitation of that structure is it going to take to last the next 50 years, and that is included in the

cost of putting a 600 foot new extension on.

We've gone back and looked -- and we're doing that as part of the whole system. We're looking at all the locks and dams, the existing ones right now, and looking at major rehab efforts. And that primarily involves the gates, divider gates, vales, machinery and all that. And all of the costs to replace that and bring those up to today's standard basically are included in the cost associated with a 600 foot lock extension.

VOICE: My question is kind of an environmental question. If given that we're going to produce more agricultural products and the consumers in the Midwest are probably going to want to live a little better, so they're going to need more goods brought into this area. If we do not improve the river system, what will be the environmental effects of using more trucks and trains, to rail or to bring in goods and carry out grain? Has that been added in?

I know this is away from the river, but if we don't do it, then we've got a problem on the inland roadways and the rails, and that should be added in or compared, because even with the problems that it may cause with the environment with the river system, it may be

better than what it does inland in the total picture of the environment of the whole midwest.

CORPS: Gary only gave us a small sampling of some of the environmental studies that we're doing, but one of the ones that we are doing is called the alternative modes analysis. What we're attempting to do is predict how much rail traffic will there be in parts of the study area, with no improvements, versus how much will there be with small scale improvements, the guide walls. How much rail traffic will there be if we put the locks in place?

The two major areas of comparison that we're doing are fuel use and emissions. And what we're going to attempt to do is determine if there are areas where we've actually induced the air quality to exceed the EPA standard, if we were to have barges versus rail or the other way around.

So we are concerned with making that comparison between fuel use and emissions. We're also attempting to do something with effects to wildlife. Like we're talking about how many fish are going to get ran over by a boat? We have some numbers that we can play with, on a deer kill, for instance, based on miles traveled, and we'll have some of that, but we're not planning on going a whole

long way with that on the rail side.

An initial concern was that the order of magnitude shift between waterway and rail might be so great that it would force the rail companies to actually put in double trackage all the way out to the Rocky Mountains, for instance. And then you'd have this whole concern with, God, if they put in the new rail, it's going to go through swamps. It's going to go through the mountains. It's going to have all these footprint impacts.

But based on the economical analysis that dealt in increase, it really is not going to drive the rail industry to, for instance, double track through a certain part of the country, in our estimate.

VOICE: I guess I need a little clarification. As I read these tables, I'm looking at this, and you're telling me that you are taking my tax dollars and improving the locks and dams, and then you are giving me a dollar figure of what that annual net improvement is.

Then I looked at the bottom and it said then we're going to do this site specific habitat replacement, and I'm going to spend your tax dollars again, but I didn't see any annual net benefit listed. What are the

dollars there?

CORPS: The costs that we've shown -- and it kind of goes back to a question that they asked Rich is, those are actually the footprint impacts. So, for instance, if a bottomland forest is going to be destroyed -- bottomland forest is pretty important in Iowa, Illinois, Missouri -- we would look at the cost of replacing that bottomland forest someplace else.

So those costs, basically, if we put in the 1200 foot lock at that location and it destroys 25 acres of bottomland forrest, then we estimate it's going to cost us whatever that is, $600,000, to replace that forest someplace else. That's what those costs are. And, yes, those are part of the first cost of construction for that design feature.

VOICE: But what is my benefit then? Where is my annual net benefit figure?

CORPS: The benefit basically is it neutralizes that negative effect. So the benefit is a benefit back to the nation, in terms of preserving our important environment.

VOICE: Preserve is the wrong word, sir.

VOICE: During the presentation of the alternatives, it was eluded to that systemic environmental impacts might

be negligible, at least that's what I thought I heard during the Pool 13 example. Some of those examples on mussels and plants indicated that impacts to plants were minimal or negligible.

Can you indicate how much support you have from the resource agency biologists for the study designs that have been used for these investigations in the findings thus far?

CORPS: First, a clarification on the negligible. Gary was showing a slide that talked about mussel impacts -- and was it the mussels? Yeah, it was the mussels. And in the very first bullet, it said negligible direct effects, and that basically has to do with mortality.

We don't think that there's places on the river where towboats go from eight boats a day to 12 boats a day is going to kill the mussel. But the very next bullet, and I think we need to come back to it, John. It's an important point.

The very next bullet is we do think that increased .... is going to increase the physiology of mussels that are located very close to the sailing lines, and we are concerned with mussel growth and their ability to reproduce.

So we've not made any finding that the impacts are negligible. We're still in the process of identifying those hot spots on the system where we think we are going to have a significant impact on plant beds, mussels, as well as fish, as an example of some of the resources of concern.

The follow-up question has to do with support for the study, design and findings to date. The Navigation Environmental Coordinating Committee consists of representatives from the five state department of natural resources, the EPA and Fish and Wildlife Service.

You think this is a long meeting, they've sat through 26 meetings with the Corps of Engineers, as we looked at ways to scope out these studies and looked at ways to try to get answers within the time frame that was available to us from Congress.

I'll paraphrase or characterize what I think. I think there's general support for the study designs. I think that in these types of studies there's a desire that we have one or two years' worth of fuel data collection.

I think there's considerable concern out there that we're going to be moving ahead with the public interest decision based on one or two years' worth of fuel

data collection, instead of maybe five or ten years, which would have been designed. Again, can we put off this decision for ten years?

In order to try to quantify that concern for the future, we're using a risk based approach, and we're trying to take the uncertainties that have come up as a result of two or three years' worth of sampling, and incorporate those into our findings so that we get more of a statistical representation of what the impacts are, and we can also identify which data gaps are most driving our decision making.

You know, again, the feedback from the agencies, we're trying to carry that uncertainty forward so the decision makers can deal with it as well. And lastly, for those areas where the data gaps seem really scary, we would recommend, in the future, additional tracking before these boats come in 2013 or 2020 or 2030, keep an eye out on what the heck is happening out there and what is happening to the environment.

VOICE: I'd like to go back to the gentleman's question about the scheduling of the barges. I feel maybe somebody from the Corps and some of these gentlemen that own these barge services, maybe they need to go out and

look at the river once.

I mean, as an example, this morning, from five o'clock until ten o'clock, there wasn't one barge went through Albany, Illinois. I was on the river fishing. At ten o'clock the first one went through. You look downstream and here come three more, shoulder to shoulder.

Now, if these gentlemen think these guys are staggering their boats out, and you guys are taking information just because they're all stopped up at the lock, well, sure, them three boats, they were all going to get there at the same time, but there was five hours nobody went through.

CORPS: And your question is?

VOICE: I feel that their information they're using for these studies has got to be -- somebody needs to go look at what's going on, on the river.

CORPS: Okay. If we're running out of actual requests for information, we'll move into the more statement oriented part of it. So I want to make sure we get the questions answered first, instead of making statements or positions known to others.

VOICE: I have two questions. First, and it was on a card, and I can't believe you passed it up. Is there a

baseline from which you are operating? We have heard that this would be impacted in this way by this development on the river, but what are we working off of?

I know for 20 years there have been all kinds of talk about studying the damage that's being done to the river. Is there a baseline, where is the river now? In what level of decline is it? That's my first question.

CORPS: That's the first question. The baseline and likely foreseeable future without condition is basically what we do see out there right now. We already have a free flowing river that's been turned into a series of lakes and the upper parts of those pools act somewhat like a river.

So our base condition is what we see right out there right now. That cumulative impact study that I talked about, where we got morphologists, hydrologists, ecologists together, we tried to take a look at what happened in the first 50 years of impoundment, so that we can estimate where on the river in the next 50 years we might see concerns.

The major areas of concern that we're looking at is sedimentation, delta formation, island loss. There's a few other mechanisms also. So we do have that report that

we can use as a backdrop against which to discuss the direct effect of increased traffic.

VOICE: So you never really gave that -- any details on that? You know, you only discussed what would be the increased negative impact on the river. So, I mean, the people here really don't know what the situation is. You and I know what it is, because I understand what you just said, but that's a lot of words in one little short bite there. It's kind of misrepresenting what's going on here.

You have answered the question. I don't expect more from you. I think everybody understands that, the situation with where the river is at right now is being underrepresented.

Secondly, in terms of economics, when you put together what would be the expansion of shipments of raw goods, down this river in the future, was the economic development offices of the five states included in this?

I have talked to representatives from all of those people and I know what they say, and I want to know were they included, and why were they not?

CORPS: To say exactly which people were consulted, I'd probably be misrepresenting if I did say it, but I can tell you that we've had an economic coordinating

committee, where we've had representatives from each of the states that have served on that committee. And they've provided input on how we best handle the economics for the study. They've met -- I don't think it's 26 times, like the environmental group has, but probably 15 or 20 times over the last four or five --

VOICE: You can't tell me if the economic development offices of these states have been involved in this 50 million dollar study?

CORPS: Some have. Paul Sieki says some have. He's closer to it than I am. We try to get the best information we can from where we can get it from.

VOICE: We're paying you to be here. We really do expect answers to these kinds of simple questions.

CORPS: Thank you. Ma'am?

VOICE: I'm just trying to voice the questions that others were attempting to put forward, and you listed some alternatives, I guess, to the question regarding has transportation regulation been considered as an alternative, and would the Corps consider that?

It wasn't presented as a component of the alternatives you listed. You know, the listing was, what, no action and then so on and so forth. It would seem,

from what people have suggested, an alternative would be an increased traffic regulation flow, and would that be the responsibility of the Corps? Was that alternative considered?

CORPS: We looked at a number of nonstructural alternatives, 81 they tell me, 81 nonstructural alternatives, and a lot of these happen with or without our navigation study, and it's up to other agencies to do it, if they choose. As the Corps regulating the traffic, I don't think that's really ours to -- we don't have the authority to do that. So I don't know if that answers your question. Monty or Rich, do you have anymore to add?

CORPS: The traffic regulation system would benefit overall the efficiency of the waterway to a limited extent. Essentially what you would save would be some component of fuel consumption. From the shippers' perspective, it doesn't matter that much, except for fuel consumption, whether the tow is waiting in line to be serviced at a lock or if it's being held at a dock, much in the same sense as the air traffic control system works now.

If there isn't the slot to put a plane down instead of putting that plane up in the air and have it

circle, the attempt is to try to hold it at the origin until a slot will become available when that plane arrives. So the concept is much the same here. And, again, the savings, the efficiency gained from that type of measure is essentially limited to some component of fuel consumption saved.

VOICE: It seems like the driving force behind the economic side of this whole issue has been to provide a savings for the farmer, essentially, but the price tag I've seen is like 1.08 billion dollars on this project. Am I right on this?

I don't see how that money being spent on the river is helping the average farmer in here. Is that money not better spent working with the farmer on an individual basis in these states rather than expanding a system that, you know, people within 50 miles do not use?

CORPS: He can answer the first part of that, right?

CORPS: We had a number of costs shown up there for various alternatives. There were two of the alternatives that did exceed one billion dollars in cost, if we built the entire alternative. As far as who benefits, you know, our analysis is to look at a whole nation and what the savings are. And the farmer will see some of the

benefits --

VOICE: What kind of benefit, though? I haven't seen where the farmer is going to get more for his bushel of corn. It looks to me like Cargill and Conagra are going to be the winners on this and not the farmers in this room.

CORPS: They will be sharing in it, and when we buy products in the store, if it costs less to ship it, we're all going to share in the savings.

VOICE: To give you an example, pork was eight cents a pound this year. I didn't see pork cheaper in the store. You know, I'm not seeing --

CORPS: I'll tell you what. Our analysis is looking at what the delay costs are. We try to translate that into dollars, and that's savings to the citizens of the United States.

VOICE: May I address that question? I'm a farmer, and I would like to address that, from an incident that took place in north Iowa two weeks ago.

CORPS: Let me just stop you for a second here. I want to make sure then that we're moving into the more statement end of things, rather than a request for information. I'm okay to do that, but yours is going to

respond to her, rather than a request to the Corps. Go ahead.

VOICE: She's asking for an answer.

CORPS: Go ahead.

VOICE: The situation is this. The corn, two weeks ago or 18 days ago, on Lock 27 they were going to fix the main gates or whatever, and they were going to use the auxiliaries.

So what that meant was, at my home on Wednesday night, my bids on my corn dropped eight cents a bushel between Wednesday night and Thursday morning, and that was due to the fact that we knew that since the main lock, 1200 foot lock, was not going to be functioning, we were going to have to go through the 600 lock, which, as a result, meant there were going to be barges stacked up. All the delays that we talked about would occur.

Now, when all these delays were occurring, that translated into an eight cent drop in the price of my corn on my farm, Thursday morning, after the Wednesday announcement.

Not only did that affect my local bid, but then the processors in Iowa, realizing that the river market dropped, decided that they also could drop their bid. And

so in Cedar Rapids, the price of grain dropped eight cents also.

So when you multiply that times the four hundred million bushels that are sitting open across Iowa during the last two weeks, you have suddenly realized what is the value of a lock to me and to all the other farmers in Iowa.

And when you translate your 1.6 billion dollars to equate to that, it's really irrelevant what the cost even is of the lock. I don't have a market when I don't have the river working. I literally don't have a market.

Cedar Rapids, in my area, cannot process all the grain that is produced. We need to have alternatives. It's got to go to all different locations. So my river and my lock and dam system are my market. They are my market. When the river isn't functioning, I don't have a place to go with my grain, and I have many more examples that I can use, but this was one. You asked what is the direct benefit.

VOICE: Did Conagra lose when you lost?

CORPS: Okay. I guess what the question is, is you have identified the cost to you. And I guess your question was, as someone who's not associated directly

with that, what benefits would I see in what areas? And I guess that's pretty hard to answer, unless you look at consumer and stuff like that, where your direct cost may be because it costs more or less to produce, or the added values to what's going.

I'm not sure the scope of the study can answer you directly, but they can break some of it down, right?

CORPS: We've talked a lot about grain shipments, and grain shipments are about 60 percent of the tons on the river. That leaves 40 percent of the tons in other commodities, and that does not necessarily equate to the value of those commodities.

Coal is about the second commodity. Coal that goes to your power plants, that you directly benefit from lower power production costs. Petroleum is about the third largest shipment on the river, and that translates to savings in gasoline at your pumps.

I know it doesn't look in the Quad Cities like you are saving much in gasoline right now, but you can pretty well assume it might be higher if the transportation costs were higher. There are a lot of chemicals shipped on the river. There's a lot of sand and gravel, cement, a lot of things that really do effect the

general public.

CORPS: I'll take one more question, then I'd like to shift more into those of you that want to make a statement. I'll do a check and see how many of you are.

VOICE: My question is, did you have a place to inject the impact of loss of competitive advantage to our foreign competitors, if we did not do any improvements, and as you went through the economic process with those improvements? Did you have a place to put what that loss in markets would be to the economic impact here?

CORPS: The effects of international competition are not specifically incorporated into the analysis that we've done. However, those considerations will be part of the broader spectrum of other factors that will go in ultimately to deciding upon what the recommended plan is that will come out later this year.

CORPS: Let me check now. How many of you want to make some sort of an either prepared statement or just a statement on what you've learned tonight or heard tonight? Could I get an idea? A show of hands, so I can divide some of the time up? Okay.

Well, we'll set right now, since we're here for awhile, a five minute limit, and whoever wants to start,

and I'll just let you know when one minute is up. Again, we have to use the mikes, because we need to capture it.

If you do have a prepared statement, please make sure that the Corps gets a copy of it, either drop it at the desk back here or give it to one of the team members.

VOICE: I have a prepared statement, and I won't, in the interest of time, read the entire thing, but I'll summarize for the Upper Mississippi River Conservation Committee, which is a professional organization of the resource biologists in the five upper Mississippi states. And they're concern is with the analysis of environmental impacts and the present investigation.

We don't have any comments to offer on the economics associated with the study, but we believe that the environmental investigations performed to date are insufficient to address the question of significance of impacts.

In other words, we don't believe that the information generated by the studies will give us the necessary data to determine if impacts associated with increased barge traffic on the river will be significant or not. In other words, we need to do more ongoing research to determine that answer. Thank you.

CORPS: Thank you.

VOICE: I'm with the Scott County Corn Growers, but this is my opinion and my statement. Being aware that the environment is important, it should not be a priority over everything at any cost, with no holds barred. I think the word used is progress. There are people killed in cars and trucks every day, and we do not stop construction on our highways.

The only reason the national trade deficit is not worse than it is now is because of ag products traded to foreign governments. We cannot compete on a world market because of -- oh, we can compete on a world market because of river barge transportation at a reasonable cost, sometimes.

If the environmentalists need something to be concerned about and want to stage a big show, keep on big oil about using MTBE as an additive in the gasoline, I want to thank the environmentalists with what they've done so far on MTBE. The farm economy, the American farmer does such a good job of raising the best food at some of the cheapest prices in the world, we now have an over supply.

We need to move our products to the people around

the world. The river is the only way we can do this economically, in the Midwest. If farmers are not making money, they are not spending money.

I have two brothers that both work at Case IH in Moline. They are now laid off because there are no orders for new combines. When they are not drawing a paycheck, they are not buying products. One brother made a statement he was going to trade his truck. And now he's not going to trade his truck. He's going to wait and see what happens.

Also I would like to make a statement. It's been said several times that bigger barges or bigger locks will cause sedimentation down in the gulf. I'm a farmer, and I'll take part of the blame for the sedimentation. I try my darndest to do no till and keep preparing strips on ...., but the dirt has got to run off of our fields before it gets to the Mississippi, before you have sedimentation. So we got to stop it on the farm before it gets to the river.

CORPS: Thank you.

VOICE: My name is Ralph Henniger, and I'm here to speak on behalf of the Davenport Chamber of Commerce's support for the US Army Corps of Engineers Navigation

Study.

Since many of the things in the statement that I've already filed with the Corps have been said, I will only add to what has been said, to provide that the need to balance the environmental interests that we've been hearing about is also related to the need to support the navigation study to assure the commercial, recreational and protection of the environment will produce an optimum result.

And based on what we have heard in the questions and answers and the presentation earlier and in our workshops, it's very apparent from all that information that the navigation study provides a balance of all the various river interests and their recommendations, and justifies investment in calling for five 1200 foot locks on the upper Mississippi River, two 1200 foot locks on the Illinois River, which are at LaGrange and Peoria, and five guide wall expansions.

And part of the reason for that was the question that was asked by a gentleman earlier about the difference between improving an existing lock by adding 600 feet, versus the cost of building a new lock. We believe that a new lock, over time, will be far more efficient than

taking an existing 600 foot lock and trying to upgrade it. And that is one of the reasons that we support the 1200 foot lock. We believe the modernization of the lock and dams can take place concurrently with the continued care that the Corps provides for the river, and maintenance for the environmental and recreational benefits of the river system, and support the objectives that are set forth in the navigation study. Thank you.

CORPS: Thank you. Sir?

VOICE: Hell. I'm Jeff Goldstein. I'm with Alter Barge Line, headquartered here in Bettendorf, Iowa. Today I'm representing Midwest Area River Coalition, which is a cooperative effort by members of the agricultural industry and the towing industry. I have a number of comments, which I'll submit to you here, that are in writing, but I would like to highlight some of these points.

From the perspective of Mar 2000 and the towing industry and agriculture, navigation on the upper Mississippi and Illinois River supports over 400,000 jobs, including 90,000 high-paying manufacturing jobs. The second point, the US Corps of Engineers estimates that for every one dollar invested in navigation projects, there's a yield of six dollars in benefits returned to the

nation.

The next point. In the 1990s, bulk agricultural exports ranged in value from 14 to 18 billion dollars. These exports were one of the leading positive sectors in the U.S. balance of trade.

Barge transportation impacts the lives of all citizens of the upper Midwest. it keeps rail rates on coal lower, reducing everybody's utility bills. It removes untold numbers of trucks off the nation's highways, reducing net fuel consumption and air emissions, and in some areas, helps reduce gasoline costs at the pump by as much as ten cents per gallon.

The American farmer's competitive advantage in exporting grain has always hinged on efficient transportation, not being the low-cost producer. Our major competitors, Argentina, Brazil and China have made investments in their transportation systems and are dramatically reducing the cost for moving their grain. We must modernize ours, in order to maintain our strategic advantage.

Currently, barge companies are paying 20 cents a gallon in fuel tax to fund waterway construction improvements. To date the upper Mississippi basin has

contributed 40 percent of the revenue annually into this trust fund, but has only received 15 percent of the dispersements. It's time to put back into this region the investments necessary to secure the future of the waterway transportation.

In addition, Mar 2000 supports more study of the sedimentation issues that were mentioned earlier by some of our friends in agriculture.

CORPS: Thank you, Jeff.

VOICE: My name is Gary Nemeyer, from central Illinois. I'm a farmer. I've been to Argentina and Brazil. I see what they've done to the Parana River. And what they did is to dredge it out. It reduced their cost of grain shipment by 15 cents a bushel. That's competition to us. If we don't maintain a competitive advantage that we've had for all these years, we will be losing markets to them.

Number 2, I work with Lake Springfield Watershed, we've put 26 acres worth of filter strips around our ground. We've done no till, reduced fertilizer, changed our chemical programs, and we're trying to maintain sedimentation on our ground, because it doesn't do us any good to lose the soil off our land.

Also, I raise hi-lo corn, which is all shipped down the Illinois River, and I'd like to support alternative plan H.

CORPS: Thank you, Gary. Other statements? Sir.

VOICE: My name is Tom Wallace. I'm a corn and soybean farmer from Cameron, Illinois. I currently serve as the president of the Illinois Soybean Association. I come to the mike tonight to speak in favor of alternative plan H, also, the alternative which provides for five new locks on the Mississippi and two locks on the Illinois.

Since the time that our forefathers started settling westward, the importance of our rivers as an economical way of moving products has been evident. Today our inland waterways are even of more vital importance in the transportation of soybeans and soybean products.

Over the last 25 years, soybean production has gone 120 percent with a 2.9 billion bushel crop projected for 1999. Along with the growth in production has come increased demand for soy products, internationally and in the US.

In 1999 the exports are expected to reach 930 million bushels. That is over 50 percent of what we produce. And of that 930 million bushels, 75 percent will

leave the US, via the Mississippi River and gulf ports.

In the last ten years, soybean farmers have invested millions in opening new markets around the world, but if these new market opportunities fall short, then orders cannot be filled because of extreme delays on our rivers. The lock and damn system developed nearly 50 years ago is outdated. The system is unable to satisfy the increased grain transportation demands of a growing population.

Our competitors to the south, in Brazil, are spending 183 million to revive and upgrade their water transport network. This project will enable them to reach into the interior and what was once virgin land will be farmed. The Corps study ignores the growing demand for soy product, higher yields, and increasing global demand.

As US farmers continue to produce more food on less acres, more efficiently, to try to feed a hungry world, transportation is the key. With railroad consolidation and crumbling rural roadways, our waterways remain the most economical and timely way to deliver our goods. These improvements are needed now to keep us competitive in the future. I urge the Corps to move forward on plan H. Thank you.

CORPS: Thank you.

VOICE: My name is Shirley Bartelt. My husband, Dwayne, and I farm 750 acres of corn and soybeans, near Polo, Illinois, in Ogle and Lee Counties. Transportation of our grain is our primary interest in the Mississippi and Illinois rivers. The majority of our grain is sold into the export market. As livestock industry in our area continues to decline, the export market will continue to become more important to us.

I'd like to give you an example of the value of the river navigation system to our operation. The barge rate on Wednesday, July 28th, from Savanna, Illinois, to the Gulf of Mexico was 36 cents a bushel for corn, 38 cents a bushel for soybeans.

The total cost of moving our average annual production of corn and soybeans from our farm to the Gulf of Mexico, by barge, on Wednesday, would have been $35,860. It would all fit in two barges. For comparison, the truck rate of $2 per loaded mile to the Gulf of Mexico would be approximately $2.18 a bushel for corn, and $2.31 a bushel for soybeans.

These rates should make it obvious why trucks aren't used for this type of hauling. The total cost of

moving our average annual production by truck on Wednesday would have been $217,250. It would take 111 semi trucks, on 1,960 miles of highway, round trip, a total of well over 200,000 miles.

I'll leave the estimated cost of those miles in highway repairs, traffic accidents, et cetera, to somebody else. I might also note that the cash price of corn in New Orleans, Wednesday, was $2.10 a bushel. It wouldn't make much sense to pay $2.18 to haul it there. Thank you.

CORPS: Thank you, Shirley.

VOICE: The alternatives that you identified deal with Pools 14 through 25. And if you compare 14 through 25, they are the most degraded section of the river when you compare it to pools 4 through 13. I think it should be fair that instead of looking at just habitat replacement, you should also be looking at net benefits to the environment.

CORPS: Thank you.

VOICE: I'm Richard Segal. I'm a farmer from Iowa, and I encourage the Corps to support the plan H.

CORPS: Thank you.

VOICE: I'm Glen Miller, I'm a past president of the Iowa Corn Growers. Of all the comments that have been

made, I don't believe that there's one that's been made about value added within the states. Comments were made in our breakdown group that alluded to the fact that if we could just have all of our corn and all of our soybeans processed within the state, the object of this meeting would be null and void.

I just want everyone to know here that despite the fact that value added is a very good idea, processing within the state is a direction that perhaps all of us would like to see it go. The value of our crop is still determined by the last bushel. And with about 20 percent of our corn crop going for export, our last bushel goes down the river.

CORPS: Thank you.

VOICE: My name is Brian Severs. I'm a farmer from Scott County. I'd like to first of all also voice my support for plan H. As a farmer from this area, one who utilizes the Mississippi River to transport nearly all of my grain, I am very pleased to see the Corps of Engineers has considered a range of economically justified capital improvements to the upper Mississippi and the Illinois River.

I'd also like to address the other very important

area, and that's the environmental considerations. I served for two years as chairman of Iowa Farm Bureau's Environmental Resources Advisory Committee. The farmers who are in this room, who know me, know that I do whatever is possibly practical to preserve and protect the resources I have, to produce the grain not only to feed my family, but parts of the world, as well.

And I think that the plans that have been presented indicate that barge traffic and utilizing the river is a very environmentally friendly means of moving bulk commodities long distances. One barge, probably most of you know this, carries the same as 15 railcars or 59 semi trucks.

Thus the movement of one hundred million tons in the upper Mississippi River Basin, by barge, keeps one million railcars or four million trucks away from our communities and available for more appropriate shorter term movements.

According to the EPA, towboats emit 35 to 60 percent fewer pollutants than rail or trucks, and according to the United States Department of Transportation, one gallon of fuel in a towboat can carry one ton of freight two and a half times father than rail,

and nine times farther than a truck.

A preliminary assessment of a model ship, conducted by the Corps, estimated that anywhere from 100 to 300 million dollars in foregone air emission clean up costs were saved by moving products by water. Replacing the existing 600 foot locks with new 1200 foot locks, or even extending the old ones, will help the environment by not hurting -- and they will not hurt by transiting tows faster, saving fuel and minimizing churning while waiting to lock through.

Barge transportation, in terms of the environmental issues we look at, is not the real issue on the river. Sedimentation in the river is the real issue, and I as a farmer and producer, and I know those of us who are farmers and producers in this audience will continue to improve upon our crop production practices, our conversation practices, to try to minimize and maybe some day even eliminate sedimentation in our rivers, lakes and streams. We believe anything is possible, and we'll continue to work towards that goal. Thank you.

CORPS: Thank you, Brian.

VOICE: I'm John Overhouse, Muscatine County. I'm also a member of the Mississippi River Parkway commission,

and I'm a county supervisor. I was onboard as a supervisor when the steel mill, a major steel mill had opened in Montpelier, Iowa. I want to bring an aspect to the Corps to consider, which I'm sure they have, but I'd like to bring it to public knowledge.

The location of this steel mill is very strategic to the defense of our country, being located so close to the Rock Island Arsenal. And I have talked with the officials here about a year, year and a half ago, and there would be some interest some day of possibly barging scrap steel into that mill, and I think this ought to be given great consideration.

Because whether it just happened or whether it was planned by certain people in this country, the location of such a steel mill, state of the art, modern mill, is very, very, I think, important to the Rock Island Arsenal, in case it's ever needed. Thank you.

CORPS: Thank you.

VOICE: My name is Larry Daily. I'm with Alter Barge Line, here in the Quad Cities. I also serve on the board of directors of the American Waterways Operators. The first thing I'd like to say is, I'd like to congratulate this community on the fact of this turnout here this

evening. It shows a real dedication to what you truly believe is important in your lives.

The other thing I'd like to do is talk about a little bigger picture here about the environment. America currently exports more than 125 million tons of farm products per year, and that should double within the next 50 years. A large portion of that increase should move down the Mississippi and Missouri rivers. It's the most natural way for it to go. The rest of it will move to the East and West coast ports.

The rising world farm import needs, being driven by the rise in population and the affluence of developing countries who want more to eat and better things to eat, should argue against any environmental campaigns locally that want to reduce barge traffic or even take out dams, as they're talking about on the West coast right now.

Meeting this last and biggest surge of world food demand, and the demand will be met, if we don't do it, it will be met by plowing down millions of square miles of tropical forest in in densely populated Asian countries.

It was the environmental movement, after all, that told us to think globally and act locally. And it was the environmental movement that helped elevate

wildlife and natural environments to the top rung of our priority ladder.

Thinking globally and acting locally today means laying the plans for a major expansion of the Mississippi and Missouri River system and its shipping capacity. As you move toward meeting this challenge, we're going to become increasingly under the microscope of the hostile scrutiny of many well-funded funds, such as some that are represented here tonight.

They would like to return the farmland, in many cases, back to where it was in 1875. Ironically, the environmental groups give no credit to the American farmers, which there's many here tonight, and the technology that they've developed with the biotechnology and other ways of improving crop yields that save the wildlands of the world equal to an area of the US, Europe and South America, from being plowed down for low yield crops from forest lands.

The world currently trades about 350 million tons of farm products per year. However, this is under a trade constrain mode. For instance, the taxpayers in European countries pay about 150 billion dollars in farm substance. They can't keep doing that. When those trade barriers are

gone, the American farmer is going to take up the slack and hopefully will pick up about 50 percent of the global increases that come after that.

World farm trade is likely to expand 35 to 40 million tons per year, and we would need to expand our current world output almost triple to keep up with that in the next 50 years.

The food challenge of the 21st century is not the challenge of population growth, as much as it is the challenge of affluence. Virtually all the people in the 21st century will be affluent people, relative to where they are now, going from starvation standards to having disposable capital income, wanting better food, more meats, more fruits, more vegetables.

If the world has 30 million wildlife species, a reasonable biologist guesstimate, then 25 to 27 million of them are probably in the tropical rain forest, with most of the remainder in such critical habitats as wetlands, corral reefs and mountain microclimates. These are places we have not farmed and we should not farm. The world's good crop land typically has large wildlife populations, but only a few wild species.

Researchers have found more species in five

square miles in the Amazon Rain Forest than in all of North America. In the name of conservation, we must farm the world's good land for the highest sustainable yield, so that we can leave the tropical forest and fragile lands for the wild species.

CORPS: One minute.

VOICE: My final comment on this is that the American farmer is a true hero for this country. And I truly believe he deserves the best and most technologically advanced and most environmentally friendly river system of transportation that we can provide him. I'd like to support alternative G.

CORPS: Thank you.

VOICE: My name's Doug McCall. I'm a farmer from Illinois, corn and soybeans. I asked the question about if there'd been a study, if we didn't do this, what would it do to the environment? And I disagree with what you said, that you said that we would not need more rails or more trucks on the road. You made that assumption in your study.

I cannot see -- you have already heard the figures that it takes 225 railcars to haul what one 15-barge tow would haul, and I think there's a big flaw

there, that we definitely -- if we're going to get this crop to market and get the goods back into the midwest, we've definitely got to have more roads and more rail. For that reason, I support plan H.

CORPS: Thank you, Doug.

VOICE: I'm going to give it another shot, because I choked last time I was up here. But the main deal is that this whole meeting about lock expansions has come at a -- it's not a very crucial subject. The crucial subject is siltation. You can build the locks as big as you want, but if your barges are stuck in the mud in ten years, what good is it? That's the whole thing. It all stems back to the farmers.

This money that's proposed to be spent on these locks should be spent giving better incentives back to the farmers, even though they should be really good stewards of the land, better incentives to cut back on siltation.

So if the river's half filled in now, in another ten years -- and there was no studies done on how much it's going to take to keep dredging it, since more and more siltation comes down every time it rains. The river is brown, from the streams -- in front of the streams. It's all the way out to the channel in some places.

Then you drive down the highway. It's simple. You drive down the highway and you look, any stream you see, there's farm fields right up to it. No buffer zones, no anything. You know, I'm out on the river every day, and I see all these things. I've seen slews fill in, in five years.

I realize that economy is a very strong thing and everybody needs a good economy. I run a project cleanup on the Mississippi, and a lot of my sponsors are in the audience. Farm people give me money, Mar 2000 has given me money. Alter's given me money. And I realize there's a lot of different views and aspects here, and that it's not an easy subject.

But I would say, for the record, that my statement is that this is not a crucial subject at this time. Siltation is the number 1 thing that needs to be fought right now. I'm opposing the whole lock expansions at this time. It's probably against what my sponsors would like me to say, but if I didn't say it, I'd probably be a sell out, but I'm saying it.

But only at this time, because I think siltation needs to be taken care of first, the main, biggest problem. And then once you get that under control, then

expand the locks. But at this point, I'm opposing it. So That's what I will say.

CORPS: Thank you.

VOICE: Chad, you hit it right on the head. You didn't quite put her all together perfectly, but that's exactly it. Why do we have siltation? You know, it is great that all these people have turned out here tonight. It's marvelous that you've come out. It's impossible for all of us to speak without hurting each other a little bit over this.

And you guys running this show are going to get hurt a little bit more every time you go upstream, because, as you saw on the maps today, they are making less and less money out of this deal the farther they go. In fact, the way we look at it, the River Revival, the Quad Cities is where the big fight is right now.

St. Louis has lost, and everything down south has lost. Corporations have owned that town, but the battle is here. The battle is here and I've been taking shots all night long at people, trying to get inside their heads to make them think a little bit differently. I've had a few shots back, too, but you got to understand that there is history going on out on this river.

What is going on out there right now has not always been that way, and just because it is what it is today, doesn't mean that this kind of progress is right and that we're heading in the right directions.

There's a whole lockout on a lot of the information in this country. How many of you farmers know that US beef is not allowed into Europe and England because we're not growing the best food in the world. How many people know that genetically modified organisms cannot be brought into several countries in the world because they don't believe that that's a good thing.

Do you hear that on the radio? Do you hear that on the television? Is it the same corporations that own the grain companies that own the media?

Why is the river silting and running down? You can put all the strips that you want to put out there to catch the dead soil, but if you continue to kill the soil, it's going to run. You are killing the very thing that holds the soil together, and the Army Corps of Engineers in this whole big river partnership series of discussions has purposely avoided the issue of land use practice.

And the Iowa Corn Growers has promised me they could produce studies that show that they improved worm

cultures on their land. Where are they? Why aren't we talking about those kinds of issues, because they would score zero on that. And why aren't we talking about cancer rates and pesticides? Has anyone ever heard those two words brought up together? Is there any relationship between pesticides and cancer?

I mean, you can limit the scope of a conversation and you can achieve what you want to achieve. If you could put blinders on people and tell them that, oh, yeah, Iowa, that's where we grow all the corn and soybeans. We don't need to grow anything else there. Hey, you can laugh, brother, but you listen up, because it's your family and your livelihood.

I'm living with the farmers that I grew up with. I've been in the food business for 35 years. I'm not a tree hugger, all right? I'm into economics. You waste the very thing that produces your money, and you don't have any way to make any money. You can't just sprinkle chemicals on rocks and get soybeans and then put them on the boat and ship them out.

And who are you shipping them to and what are they being made into? Have you thought about that? Oh, we're feeding the world. Right. Over in China, do you

think those poor people are getting those soybeans and corn? That's going to this burgeoning new middle class over in China. Oh, yeah, free markets in China now.

Do you know where your product is even going? How many Gummy Bears and Gummy Worms are made out of the fructose from your corn, and that's making a better America? There's a lot of information that's being left out of this debate, and until it's all brought around, we're not going to be educated. If you don't know your history, then there's no way anybody is going fill you in tonight on it.

And you can say, oh, yes, we're going to be keeping jobs in the Midwest by gutting this river, but in 30 years, when that soil is bankrupt, so are you. And corporate America is running this show, and it's not just corporate America, there are Swiss Corporations. This is a global thing.

CORPS: One minute.

VOICE: The official Mississippi River Revival statement will be given in Wenona. One last comment. I've heard it said many times, trucks and rails versus boats. This seems to be a big feather in a lot of people's hats. They can point out that there's all this air

pollution that comes from boats, from trucks and trains.

Let me just tell you that if there was a way to change the internal combustion engine so that it no longer polluted, so that it was free of air pollution, and the boats didn't make air pollution, and the boats didn't make water pollution, you would still have the structural problem of putting locks and dams on a free-flowing river, which kills that habitat.

As I pointed out, the baseline study has never been done. We're standing here tonight talking about, oh, it's going to go down another one percent, if we do this. One percent from where?

CORPS: Time.

VOICE: My name is Keith Myer. I traveled from Iowa City to Davenport, this afternoon, with somebody else in the car. We go past soybeans, corn, soybeans, corn, soybeans, corn, soybeans, corn, soybeans, corn, soybeans, corn, soybeans, corn.

I asked the question to the person who was with me. I say, did you ever walk soybeans? And the person said no. He says, what is walking soybeans? And I said, well, walking soybeans is when you walk down the rows, and you cut out some of the weeds and you cut out some of the

corn, because if you have some corn content in the soybeans, you don't get as high a price for the soybeans as you do if there's not any corn.

So we looked for a field where there's some corn in it. And we drive for several miles looking for a field in which there is corn. And we don't see any fields in which there is corn. But, by the same token, I'd never seen anybody walking soybeans, One of the things that leads me to believe that there's something else going on to control the growth of corn in the soybean field.

A lot of people have mentioned that they're farmers. You know, I suppose that if -- I categorize myself -- sometimes people ask me what I do. I say, well, I have about an acre and a half of raspberries. I have 75 fruit trees. I have grapes. I have raspberries. I have rhubarb. I try and raise a number of things, and I've been on a plot of land for about 25 years, and there's never been any kind of chemical placed on that land.

And you'd be surprised how people would say, hey, wow, those are great raspberries. Those are really great. So when I distribute and give them to people, they say, well, you can never get black raspberries anywhere anymore. And some people are always really happy to get

black raspberries from me. And it's like -- I come from a family in which is probably 45 farmers, and there's only a couple of them that do anything but raise corn and soybeans.

And I kind of know why people don't want to do it, because it's a lot of work. You got to get up, and you got to tend to things. It's really hard work to raise cattle, raise poetry -- I mean, poultry, raising any kind of alternative crop is going to be very labor intensive.

And the way that it's being done now is that we're depending upon people from foreign countries, like maybe south of Mexico, to raise all those other kinds of crops that are coming into America. I can really kind of wonder why all this corn and soybean is being raised here and why we should ship that all down to the Gulf.

But I did want to add one question, and it kind of relates to the nonanswers that are coming out of the Corps. The guy got up and said, you know, can we do something about control of the barges in terms of getting them to run so they're not all piled up at the damn, something like that? Those kind of questions about transportation, we're really kind of stumping these people over here, and it really bugs the hell out of you,

when you are talking about this kind of money and you ask this question to this group of people. Can we make the barge traffic more efficient? I mean, like can we get a kind of tugboat, towboat, pushboat, whatever they call these things, can we make that kind of thing more efficient?

Can we move the grain more efficiently down the river? We don't have to open and widen and longen the lock. I mean, we don't even look at those kind of things. We don't look at scheduling. We don't look at making the barges and everything more efficient.

We just kind of looked at the traditional thing of, okay, we got a problem, there's more corn and soybeans, let's widen the locks --

CORPS: One minute.

VOICE: Okay. Thank you.

VOICE: I'm Bruce Carry. I'm with Alter Barge Line. There have been several of us from Alter Barge Line because Bettendorf, Iowa, is home to one of the better towing companies in the United States. But this is my moment, and I've heard a lot of things.

First, I want to defend the towing industry a little bit. We do care about the environment. We have

made changes over the years. We do run efficient equipment. We do have engines that are well-maintained with proper adjustments, so we are not polluting the air.

We do take every step to not pollute, and when we do have an accident, where maybe a hydraulic line will break, we have turned ourselves in, and we have been fined accordingly. We will live up to our responsibilities.

My background also includes farming. I have friends here who are farmers, and I know a number of people here who are farmers. My father was a farmer. I tried it for awhile. It's a hell of a deal. I got out of it.

But I'm listening to the farmers standing up here talking from their heart and saying, hey, I've got to make money. When you look around, yeah, there's been farms here for centuries. This river's been used for centuries. These locks and dams have been in here for years. That's the problem. It's time to upgrade them, just like we do with the rest of our systems.

We need to upgrade the locks and we need to support number H. We need to support our farmers. We need to support our country, and I don't think this thing should be overstudied, because at some point you have got

to make a decision.

We need some solutions now, to the problems we're fighting. Good luck, gentlemen. Make a decision. Focus on your job. Make a decision for the environment, as well as what it takes to keep our economy running. Thank you.

CORPS: Thank you, Bruce.

VOICE: My name is Scott Tinsman, and I'm with Agribusiness in the State of Iowa. I came tonight admittedly not knowing that much. I'd just like to say two things. One, I think the Corps has done an excellent job in presenting as much information as they can across the entire wide range of subjects. For that I think you guys have done a great job.

Having learned everything I can learn, I am in support of G or H. And when you go before Congress, I think you will probably be the only ones there who have a positive cash flow to their project.

You know, I don't see any other buildings, federal buildings or building bombers that actually have a positive cash flow to pick from. So I hope you are given what you ask for. Thank you.

CORPS: Thank you, Scott.

VOICE: My name is Leon Corzine. I'm a third

generation grain farmer. My son is also on the farm, and he is fourth generation on this family farm. I'm also currently serving as vice president of the Illinois Corn Growers Association. The ag-economy accounts on 42 to 49 percent of our products being exported in Illinois.

We are losing our competitive advantage over our South American competitors, with the current delays we are now facing. So I encourage you to move forward as quickly as possible. We also are in favor of plan H. We think that is the long-range best alternative.

We have a 60 year old system we're looking at currently, with a life expectancy of 50 years. We not only have delays from an overloaded system but from breakdowns, as well. As production increases, rail and truck must attempt to transport these increases, very environmentally unfriendly.

For rail, fuel use is increased by two and a half times. For truck transportation, fuel use increases nine times. All emissions increase accordingly, add to that infrastructure costs and safety costs. Trains and trucks do run over cars occasionally. The ag-economy is at a crisis level. Delays now cost me over five cents per bushel, on my farm in central Illinois. This will

increase, without the improvements.

The ripple effect strikes home, maybe not any better than it does right here in Bettendorf, with Deere now building 50 percent less combines, because I can't afford to buy new ones. Steel is affected. Tires are affected. Labor is affected. Then communities and families outside of rural America are negatively impacted, as well as in rural America.

The sediment issue is not a barge issue. It's a tillage issue. That is why Illinois Corn Growers has supported and really worked hard to implement -- and we're spending 600 million dollars in Illinois on the CREP program to increase buffer strips and wetland acres. And also we have worked hard to implement the T by 2000, which has already been talked about, and conservation 2000. Both of these are in effect now, and they're working today. Thank you.

CORPS: Thank you.

VOICE: My name is Tim Wilkerson. I work with Blackhawk Fleet, which is a division of Alter Barge. I've been in the river business in one way, shape or form for 23 years. It's fed me, and it's fed my family. And the American farmer plays a big part in that. I'd just like

to say that I support plan G. Thank you.

CORPS: Thank you.

VOICE: I'm Lynn Munch, with Mar 2000, and Mar 2000 members strongly endorse alternate H. We belief that when the correct economic and real world assumptions are taken into consideration, that there will even be far greater net annual benefits than are currently shown.

The assumptions that we would like the Corps to look at, once again, is the elasticity of the model, the rail rates, the capacity issue. Since we build roads for rush hour, we ought to build our waterway system for its peak capacity, and also looking at how much the grain will actually increase over the next 50 years.

We also support this alternative because it will create the most jobs of any of the alternatives. Mar 2000 members also would request the Corps also review the need for 1200 foot locks on the upper Mississippi River system, ten on the Mississippi and two on the Illinois.

We think that when all the proper assumptions are taken into consideration, that this will provide the greatest economic alternative for the nation and address our capacity issues. This is a challenge that we issue to the Corps and Congress, that we must be visionaries.

Our forefathers were visionaries with the construction of the lock and dam system over 60 years ago. Because of their foresight, it's not just agriculture, but all the consumers in the Midwest enjoy a high standard of living envied by the world. It is time that we in this generation be visionaries, also.

CORPS: Thank you, Lynn.

VOICE: My name is Tim Berrak, and I'm a farmer from northeast Iowa. I would just like to build upon what Lynn just said. She just threw out a vision that, you know, really wasn't in any of the alternatives, and maybe I think we need to think even a little bigger issues, talking about actually ten locks on the Mississippi and 12 -- or excuse me, two on the Illinois.

And I think if we'd take that vision and we grow with it, there's opportunity here, and we need to capture that. As we look ahead for 21st century agriculture, we have one shot at this. When we look back to the '30s and we look at the locks and dams that were currently built, I really believe, as good a job as was done, as well-built that as they were, no one had the foresight to see how valuable they are to us today.

And I would encourage us to maybe grab a little

more foresight, recognize the value that they currently provide, and then recognize the value that they probably will provide to us in the future.

And I applaud the Army Corps for what they've done in the past. I applaud your efforts tonight, your ability to take a difficult subject and communicate it in a manner, professionally, that we can understand to break it down and respond to the questions. And I want to thank you very much for the opportunity for us to voice our thoughts and opinions. And I'm hoping that as the rest of your meetings progress, they go as well as this one.

Personally, as a person who does not have a corn market, unless the river is functioning, I'm hoping that we're also very successful in developing the lock system, expanding it on the upper Mississippi River, and it is vital to the United States' 21st century world agriculture position. Believe me, it is extremely vital that we have this.

If we want to maintain the position that the United States currently has in world agricultural trade, we need to make these improvements.

CORPS: Thank you, Tim.

VOICE: I'm Mark Berkrum. I'm Midwest Regional

Representative for the Sierra Club. I've been working with the coalition of the conservation and environmental organizations following the navigation study since its inception in the early '90s.

And I want to clarify that the conservation organizations are not pushing to pull out the locks and dams. We also have been in intense discussions with the industry groups and the Corps of Engineers, since this study began, to try and find ways that we can maintain our competitive advantage utilizing the inland waterways, as well as other transportation systems and maintain a good export market.

But we have a constituency out there that includes you, as farmers. It includes us as citizens, and whatever jobs or occupations that we're involved with, to find a way to strike a balance between the management of the Mississippi and Illinois rivers, between the commercial use and the natural resource use.

Annually the rivers generate over a billion dollars in recreational use. The upper Mississippi River in its 1300 miles of area, draw more visitors and more recreational users than do Yellow Stone or Yosemite National Parks.

We have a 1300 mile national park system, in essence, right here, and that, as we've learned from some of the river biologists, some sections of the river are degraded, severely degraded and may be in need of drastic action to save some of it, particularly to the lower Illinois River and the lower reaches of the Mississippi River, exactly where we have the conflict with increasing commercial navigation traffic.

We have asked General Anderson, who's the head of the Mississippi Valley Division, and the Corps, to slow up the process for awhile right now. Because as was made clear tonight, and has been made clear at all these meetings up and down the river, that people are moving ahead and looking and promoting particular options.

And if we truly care about a competitive balance between the natural resource use of the river and the industrial use of the river, we need to have all the facts. We need to have all the figures.

And this study has been front-end loaded with economic and engineering issues and back-end loaded with the environmental issues, which take a little bit longer to solve. And what was not really clear in the presentation by Gary Loss tonight, is that the system

environmental effects and mitigation for those effects is not included in the economic costs that you have seen tonight.

And I think that if the organizations that have been making these presentations tonight and claiming and promoting particular options, and yet claiming to be concerned about the environmental impacts, need to step back a minute and join us in calling for completion of these studies, and then a full airing of what the true costs are going to be to us as a nation, as taxpayers, before decisions are made.

And I would hope that Mr. Loss and the other Corps personnel take this fact that there's decisions being made by these organizations and endorsements made in particular options before we have all the facts.

It's quite clear, from the biologists, that there have been damages that have been incurred on the system, and that some sections of the river are in need of work, and that's going to cost us as taxpayers. It's going to cost us as river users. But we need to know those costs so we can make a sound decision on where we're going to go with this.

We're not talking about shutting down the river,

ever, for it's commercial or recreational use, but we are talking about -- the true issue here is whether the projected increase in exports, whether it's going to move on the river or move by other means, and I think that once we clarify the costs, then we can decide whether that increase in projected usage of the river may or may not be fiscally sound.

None of us, as individual investors, would take a one-to-one return on our money for our investments. We wouldn't get very far, but that's what we're being asked to do as taxpayers. Most of these options at this point in time are under one and a half to one ratios. That's not very good return on our money.

And option H has only got a 1.04 to one cost benefit ratio return right now, before we put it in environmental mitigation. So I think a rush to judgment is occurring, and I think that we, as citizens, we, as organizations, we better wait and make sure the options that we select meet all the needs of the citizens. Thank you.

CORPS: Thank you, Mark.

VOICE: I'm Wayne Williams, I also work for Alter Barge Lines. I've been a pilot on the river for over 36

years. I've seen it when it was really bad, the Illinois River. I can remember when somebody fell in the river, say at a lock, you had to go to the hospital and get a shot, the river was so bad.

Over the last few years I've seen the river clean up. I think the towing industry and farmers and everybody is doing what they can to try to clean it up. But it's very important that we keep this system open. I support proposition H.

CORPS: Thank you, Wayne. Anybody else? If not, I encourage you to -- again, one more last time, on that yellow sheet, if you have additional comments or questions, to put them down there.

I really appreciate your participation tonight. The Corps has gained a lot of information on the broad aspects of this, and some very specific things. I know I learn a lot every time I'm up here. So I appreciate it.

So with that we'll close down tonight. On a personal note, since I'm staying here for a couple days, if anybody knows of any good fishing holes, why you can come up and let me know. Thank you.

WORKSHOP CONCLUDED.

ENDED AT 10:18 p.m.

CERTIFICATE OF REPORTER

I, Matthew David Feely, CSR-RPR, do hereby certify that the foregoing transcript consisting of pages 1 through 84, both inclusive, constitutes a true and accurate transcript of the original shorthand notes of proceedings had at the time and place aforesaid before the US Army Corps of Engineers.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal at Galesburg, Illinois, this 10th day of August, A.D., 1999.

_____

Matthew David Feely
Certified Shorthand Reporter
Illinois CSR License Number
084-004227
Iowa CSR License Number 1183